



## APPLIED GRAPHITE TECHNOLOGIES CORPORATION ANNOUNCES CLOSING OF QUALIFYING TRANSACTION

**March 8, 2024** – Applied Graphite Technologies Corporation (formerly Audrey Capital Corporation) (TSXV: AGT) (the “**Corporation**”), is pleased to announce that it has closed its previously announced Qualifying Transaction (as defined in Policy 2.4 *Capital Pool Companies* of the TSX Venture Exchange (the “**TSXV**”). The Qualifying Transaction proceeded by way of a three-cornered amalgamation pursuant to which Applied Graphite Technologies Corporation, a private company incorporated under the *Business Corporations Act* (British Columbia) (“**AGT**”), amalgamated with 1445056 B.C. Ltd., to become a wholly-owned subsidiary of the Corporation (“**AGT Resources**”). The name of the amalgamated subsidiary corporation is “AGT Resources Corporation”.

### Name Change

The Corporation, as the resulting issuer (the “**Resulting Issuer**”), will continue the business of AGT and has changed its name to Applied Graphite Technologies Corporation and its ticker symbol to “AGT” on the TSXV.

### Consolidation

The Corporation has consolidated its 20,000,000 outstanding common shares on a 1.5:1 ratio, which results in 13,333,333 common shares outstanding post-consolidation. The Corporation issued approximately 8,200,605 common shares to the shareholders of AGT, and a total of 21,533,938 common shares of the Resulting Issuer (the “**Resulting Issuer Shares**”) are issued and outstanding, along with 1,333,333 stock options, 333,333 broker warrants, and 1,366,454 warrants all exercisable at \$0.15 per common share. 3,950,723 of the Resulting Issuer Shares will be held for up to 36 months from the date of issuance of the Final Exchange Bulletin by the TSXV (the “**Final Bulletin**”), pursuant to a TSXV Form 5D Escrow Agreement (the “**Escrow Agreement**”). The Corporation’s new CUSIP number will be 03820A109 and its new ISIN number will be CA03820A1093. Former registered holders of pre-consolidation common shares of the Corporation will be receiving by mail, from Olympia Trust, the Corporation’s transfer agent, a letter of transmittal with instructions on how to remit former common shares of the Corporation for post-consolidation common shares of the Corporation.

For further information, please refer to the Corporation’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), the Filing Statement dated February 29, 2024 regarding the Qualifying Transaction, as well as the press releases dated June 26, 2023 and February 29, 2024. Trading of the common shares of AGT will remain halted in connection with the dissemination of this press release and will recommence at such time as the Exchange may determine, having regard to the completion of certain requirements pursuant to Exchange Policy 2.4.

### The Resulting Issuer

All directors and officers of the Corporation have resigned effective March 7, 2024. The directors of the Resulting Issuer are Don Baxter, Ian Harris, Rodney Stevens, James Ruane and Chaanaka Abeyratne. These directors shall hold office until the first annual general meeting of the shareholders of the Resulting Issuer following closing, or until their successors are duly appointed or elected. The officers of the Resulting Issuer are Don Baxter as Chief Executive Officer, James Ruane as Chairman of the Board, Sunil Sharma as Chief Financial Officer and Melissa Martensen as Corporate Secretary.

Final acceptance of the Qualifying Transaction will occur upon the issuance of the Final Bulletin. Subject to final acceptance by the TSXV, the Corporation will be classified as a Tier 2 mining issuer pursuant to TSXV policies. The Common Shares are expected to commence trading on the TSXV under the symbol “AGT” at the opening of the markets on March 12, 2024.

## **Early Warning Disclosure as a Result of Completion of the Qualifying Transaction**

Pursuant to the Qualifying Transaction, Donald Baxter acquired control over 2,837,845 Resulting Issuer Shares (and no other securities of the Resulting Issuer) all of which were issued in exchange for the common shares of AGT controlled by Mr. Baxter prior to completion of the Qualifying Transaction. Mr. Baxter exercises control over 2,837,845 (13.18%) of the issued and outstanding Resulting Issuer Shares. Mr. Baxter currently does not have any plan to acquire or dispose of additional securities of the Corporation. However, Mr. Baxter may acquire additional securities of the Corporation, dispose of some or all of the existing or additional securities he holds or will hold, or may continue to hold his current position, depending on market conditions, reformulation of plans and/or other relevant factors. All of the Resulting Issuer Shares controlled by Mr. Baxter are subject to the terms of the Escrow Agreement.

Immediately prior to completion of the Qualifying Transaction, Ian Slater exercised control over 4,000,000 pre-consolidation common shares of the Corporation (“**CPC Shares**”) and 600,000 pre-consolidation options of the Corporation (“**CPC Options**”), representing approximately 20% of the issued and outstanding CPC Shares on a non-diluted basis and approximately 22.33% of the issued and outstanding CPC Shares on a partially diluted basis. Upon completion of the Qualifying Transaction, Mr. Slater exercises control over 2,666,667 Resulting Issuer Shares, 400,000 options of the Resulting Issuer and 1,366,454 Resulting Issuer Share purchase warrants, representing approximately 12.38% of the issued and outstanding Resulting Issuer Shares on a non-diluted basis and approximately 20.21% of the Resulting Issuer Shares on a partially diluted basis. Mr. Slater currently does not have any plan to acquire or dispose of additional securities of the Corporation. However, Mr. Slater may acquire additional securities of the Corporation, dispose of some or all of the existing or additional securities he holds or will hold, or may continue to hold his current position, depending on market conditions, reformulation of plans and/or other relevant factors. All of the Resulting Issuer Shares and options of the Resulting Issuer controlled by Mr. Slater are subject to the terms of a previously executed TSXV Form 2F CPC Escrow Agreement (the “**CPC Escrow Agreement**”).

Immediately prior to completion of the Qualifying Transaction, Paul Beattie exercised control over 4,000,000 pre-consolidation CPC Shares and 600,000 CPC Options, representing approximately 20% of the issued and outstanding CPC Shares on a non-diluted basis and approximately 22.33% of the issued and outstanding CPC Shares on a partially diluted basis. Upon completion of the Qualifying Transaction, Mr. Beattie exercises control over 2,666,667 Resulting Issuer Shares and 400,000 options of the Resulting Issuer, representing approximately 12.38% of the issued and outstanding Resulting Issuer Shares on a non-diluted basis and approximately 13.98% of the Resulting Issuer Shares on a partially diluted basis. Mr. Beattie currently does not have any plan to acquire or dispose of additional securities of the Corporation. However, Mr. Beattie may acquire additional securities of the Corporation, dispose of some or all of the existing or additional securities he holds or will hold, or may continue to hold his current position, depending on market conditions, reformulation of plans and/or other relevant factors. All of the Resulting Issuer Shares and options of the Resulting Issuer controlled by Mr. Beattie are subject to the terms of the CPC Escrow Agreement.

Immediately prior to completion of the Qualifying Transaction, Jackie Cheung exercised control over 4,000,000 CPC Shares (and no other securities of the Corporation), representing approximately 20% of the issued and outstanding CPC Shares. Upon completion of the Qualifying Transaction, Mr. Cheung exercises control over 2,666,667 Resulting Issuer Shares, representing approximately 12.38% of the issued and outstanding Resulting Issuer Shares. Mr. Cheung currently does not have any plan to acquire or dispose of additional securities of the Corporation. However, Mr. Cheung may acquire additional securities of the Corporation, dispose of some or all of the existing or additional securities he holds or will hold, or may continue to hold his current position, depending on market conditions, reformulation of plans and/or other relevant factors. All of the Resulting Issuer Shares controlled by Mr. Cheung are subject to the terms of the CPC Escrow Agreement.

The foregoing disclosure is being disseminated pursuant to National Instrument 62-103 – The Early Warning System and Related Take-Over Bid and Insider Reporting. Copies of the early warning reports with respect to the foregoing will appear on the Corporation's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) and may also be obtained by contacting the Corporation at 604-638-2545.

## **About Applied Graphite Technologies Corporation**

Applied Graphite Technologies Corporation owns a 90% ownership interest in C-Tech Ceylon (Private) Limited, a corporation incorporated pursuant to the laws of Sri Lanka, which in turn owns a 100% ownership interest in the Dodangaslanda Graphite Properties in Sri Lanka. The Dodangaslanda Properties are on private land in the heart of the

vein graphite district, with historical workings and vein graphite outcrops. Vein graphite is naturally high grade (+95% carbon content in the ground) and does not require primary processing. Testing of vein graphite in lithium-ion battery anodes has shown very high capacities, performing better than synthetic graphite. Natural vein graphite has a far superior ESG footprint than synthetic and is cheaper without compromising performance.

The technical information in this news release has been prepared by Don Baxter, P.Eng., a "qualified person" as defined in National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101").

## **FOR FURTHER INFORMATION PLEASE CONTACT:**

**For more information, please contact:**

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### ***Cautionary Note***

*Investors are cautioned that, except as disclosed in the continuous disclosure document containing full, true and plain disclosure regarding the Transaction, required to be filed with the securities regulatory authorities having jurisdiction over the affairs of the Corporation, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. The trading in the securities of the Corporation on the TSXV should be considered highly speculative.*

*Trading in the common shares of the Corporation is presently halted and is expected to remain halted until the TSXV has completed their review. While halted, the common shares of the Corporation may only trade upon TSXV approval and the filing of required materials with the TSXV as contemplated by TSXV policy.*

### ***Forward-Looking Information***

*Although the Corporation believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Corporation can give no assurance that they will prove to be correct. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release include information relating to: the business plans of the Corporation, receipt of final TSXV acceptance of the Qualifying Transaction), and the resumption of trading on the TSXV. Such statements and information reflect the current view of the Corporation. Risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information.*

*Forward-looking information in this news release are based on certain assumptions and expected future events, namely: the Corporation's ability to continue as a going concern, continued approval of the Corporation's and AGT Resources' activities by the relevant governmental and/or regulatory authorities, and the continued growth of the Corporation and AGT Resources.*

*By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: the potential inability of the Corporation to continue as a going concern, risks associated with potential governmental and/or regulatory action with respect to the Corporation's and AGT Resources' operations, respectively, the potential unviability of the business plans of the Corporation and AGT Resources, respectively, AGT Resources' expectation on the growth and performance of its acquisitions may prove incorrect, and failure to obtain final TSXV acceptance of the Qualifying Transaction. Such statements and information reflect the current view of the Corporation. The forward-looking information contained in this press release represents the expectations of the Corporation as of the date of this press release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. The Corporation does not undertake to update this information at any particular time except as required in*

*accordance with applicable laws.*

***This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.***

*The TSXV has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.*

***Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***